


STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐

APPLICATION FOR PERMIT TO DRILL				1. WELL NAME and NUMBER Wellington Federal 41-25		
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>				3. FIELD OR WILDCAT UNDESIGNATED		
4. TYPE OF WELL Gas Well Coalbed Methane Well: YES				5. UNIT or COMMUNITIZATION AGREEMENT NAME		
6. NAME OF OPERATOR KERR-MCGEE OIL & GAS ONSHORE, L.P.				7. OPERATOR PHONE 720 929-6587		
8. ADDRESS OF OPERATOR P.O. Box 173779, Denver, CO, 80217				9. OPERATOR E-MAIL mary.mondragon@anadarko.com		
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) UTU-073409		11. MINERAL OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>		12. SURFACE OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>		
13. NAME OF SURFACE OWNER (if box 12 = 'fee')				14. SURFACE OWNER PHONE (if box 12 = 'fee')		
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')				16. SURFACE OWNER E-MAIL (if box 12 = 'fee')		
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')		18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>		19. SLANT VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>		
20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	1314 FNL 1273 FEL	NENE	25	14.0 S	10.0 E	S
Top of Uppermost Producing Zone	1314 FNL 1273 FEL	NENE	25	14.0 S	10.0 E	S
At Total Depth	1314 FNL 1273 FEL	NENE	25	14.0 S	10.0 E	S
21. COUNTY CARBON		22. DISTANCE TO NEAREST LEASE LINE (Feet) 1273		23. NUMBER OF ACRES IN DRILLING UNIT 2883		
		25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 450		26. PROPOSED DEPTH MD: 1312 TVD: 1312		
27. ELEVATION - GROUND LEVEL 5582		28. BOND NUMBER WYB000291		29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE Air Drilling - City of Price, UT		
ATTACHMENTS						
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES						
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER			<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN			
<input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)			<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER			
<input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)			<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP			
NAME Debby Black		TITLE Staff Regulatory Analyst		PHONE 720 929-6472		
SIGNATURE		DATE 05/14/2009		EMAIL Debby.Black@Anadarko.com		
API NUMBER ASSIGNED 43007500170000		APPROVAL  Permit Manager				

Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Cond	17.5	13.375	0	40		
Pipe	Grade	Length	Weight			
	Grade J-55 ST&C	40	54.5			

Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Surf	11	8.625	0	168		
Pipe	Grade	Length	Weight			
	Grade J-55 ST&C	168	24.0			

Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Prod	7.875	5.5	0	1312		
Pipe	Grade	Length	Weight			
	Grade J-55 LT&C	1312	15.5			

2009 Cardinal Draw Plan of Development

Carbon County, Utah

OPERATOR: KERR-McGEE OIL & GAS ONSHORE, L. P.

Federal Lease: UTU-073409

WELLINGTON FEDERAL 41-25 (Ferron)

NE NE Section 25: Township 14 South - Range 10 East

Carbon County, Utah

<u>Formation</u>	<u>Measured</u>	<u>SubSea</u>	<u>Lithology</u>
Mancos	Surf		
Ferron	762	4830	Sandstone, shale, minor coal
Tunnunk	1145	4437	Shale, minor sandstone
Lower Tunnunk	1245	4337	Shale, minor siltstone
TD	1312		

	Setting Depth- KB	Sacks of Cement	Top of Ferron	Total Depth	Anticipated Bottom Hole Pressure
8-5/8", 24#, J-55 ST&C	168	72			
5-1/2", 15.5#, J-55 LT&C	1312	199	762	1312	564

MASTER DRILLING PLANS (Southern Cardinal Draw)

1. ESTIMATED DEPTH OF ANTICIPATED WATER, OIL, GAS OR MINERAL FORMATIONS

Primary Objective: Ferron Methane Gas

Several coal seams may be tested for gas producing formations to total depth. All shallow water zones will be protected with casing and cement. Cement will be brought 700' above the Ferron unless water is encountered.

The casing and cementing programs shall be conducted as approved to protect and/or isolate all usable water zones and any prospectively valuable deposits of minerals. All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.

2. MINIMUM BOP REQUIREMENTS: (Refer to attached schematics)

- a) The BOPE shall be closed whenever the well is unattended.
- b) The BOPE shall be pressure tested when initially installed, whenever any seal subject to pressure testing is broken, after repairs, or every 30 days.
- c) Kerr-McGee shall notify the BLM Price Field Office 24 hours prior to the BOPE test.
- d) All BOPE shall meet or exceed the requirements of a **2M** system as set forth in Onshore Order No. 2.
- e) An accumulator unit will be used that has sufficient capacity to open the hydraulically-controlled choke line valve (if so equipped), close all rams plus the annular preventer and retain 200 psi above precharge on the closing manifold without the use of the closing pumps. The accumulator unit will be located at the master accumulator and on the rig floor. Hydraulic controls will be located at the master accumulator. Manual controls (hand wheels) will also be installed on the blind and pipe rams.
- f) Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or 70 percent of internal yield pressure of casing if BOP stack is not isolated from casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer.
- g) Annular type preventers shall be tested to 50 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.
- h) Accessories to BOP's include upper and lower Kelly cock valves with handle , floor safety valve and wireline-retrievable float valves.

3. SUPPLEMENTARY INFORMATION

As this is a normally pressured coal bed methane play, no gas is anticipated to surface during drilling operations. Surface casing will be preset with a water-well drilling rig (3D) and production casing will be set with a turnkey operator (Pense). Kerr-McGee will have a company hand on location for all operations. This is done to minimize rig time on location.

4. CASING PROGRAM:

Hole Size		Casing Size	Weight	Grade	Joint	Depth Set	New/Used	Collapse	Burst	Tension
17-1/2"		13-3/8"	54.5	J-55	ST&C	40	New	1,130	2,730	514,000
11"		8-5/8"	24	J-55	ST&C	168	New	1,370	2,950	244,000
7-7/8"		5-1/2"	15.5	J-55	LT&C	1680	New	4,040	4,810	217,000

Calculations are the minimum safety factor encountered at the deepest Cardinal Draw Wellington Well

Surface Casing:

- a) $\text{Burst} = 0.052 * \text{MW} * \text{TVD}$
 $= 0.052 * 8.33 \text{ ppg} * 1680'$
 $= 728 \text{ psi}$
 $\text{Safety Factor} = \text{Rating/Burst}$
 $= 2950/728$
 $= 4$
- b) $\text{Collapse} = [0.052 * \text{MW} * \text{TVD}(\text{shoe})]$
 $= [0.052 * 9.0 \text{ ppg} * 168']$
 $= 79 \text{ psi}$
 $\text{Safety Factor} = \text{Rating/Collapse}$
 $= 1370/79$
 $= 17$
- c) $\text{Tension} = \text{Weight} * \text{TVD} * [1 - (\text{MW}/65.5 \text{ ppg})] + \text{Margin of Overpull}$
 $= 24 * 168' * [1 - 9.0/65.5] + 50,000$
 $= 53478 \text{ lbf}$
 $\text{Safety Factor} = \text{Rating/Tension}$
 $= 244,000/53,478$
 $= 5$

Surface casing shall have a centralizer on every joint.

Production Casing:

- a) $\text{Burst} = 0.052 * 8.33 \text{ ppg} * 1680'$
 $= 728 \text{ psi}$
 $\text{Burst} = (1.45 \text{ psi/ft} - 0.44 \text{ psi/ft}) * \text{TVD} \quad (\text{Fracture Pressure})$
 $= 1696.8 \text{ psi}$
 $\text{Safety Factor} = \text{Rating/Burst}$
 $= 4810/728$
 $= 7$
 $= 4810/1697$
 $= 3$
- b) $\text{Collapse} = [0.052 * 8.33 \text{ ppg} * 1680']$
 $= 728 \text{ psi}$
 $\text{Safety Factor} = \text{Rating/Collapse}$
 $= 4040/728$
 $= \text{\#REF!}$
- c) $\text{Tension Weight} = 15.5 \text{ lbs/ft} * 2400' * [1 - (8.33 \text{ ppg}/65.5 \text{ ppg})] + \text{Margin of Overpull}$
 $= 15.5 \text{ lbs/ft} * 1680' * 0.873 + 50,000$
 $= 72728 \text{ lbf}$
 $\text{Safety Factor} = \text{Rating/Tension}$
 $= 217,000/72,728$
 $= 3$

5. DRILLING FLUIDS PROGRAM:

Surface:

Kerr-McGee intends to drill the surface casing through to 10% of total depth using fresh water and gel sweeps. No gas or water zones will be encountered and as such BOPE will not be used.

Production:

Drilling of the production hole to casing setting depth will be done with air as the drilling fluid. While drilling in an under balanced state, Kerr-McGee and/or its rig contractor will maintain sufficient barite and lost-circulation materials on the location kill water flows and contain gas production, if deemed necessary. These material will not be pre-mixed, but the ability to mix and pump them will be present on location.

Kerr-McGee requests a variance from Onshore Order 2 with regards to the 100 foot blooey line. The length of the blooey line will be sufficient to reach the middle of the reserve pit. Since gas flow is not anticipated to surface, there will not be an ignition devise. In the event that gas does flow to surface, a continuous ignition system will be installed and utilized on all remaining subsequent wells drilled. Air flow line is 8" Schedule 80 pipes that runs 90° from the well bore to the reserve pit. The last 7" of flow line is 14" pipe with three (3), 45°, 8" Schedule 80 pipes to disperse cuttings to reserve pit. Dust will be suppressed by injecting water into the blooey line. Whip-checks will also be utilized on all pressurized compressors, blooey lines and hoses to maintain physical control. Fire extinguishers will be placed around location.

The open hole will be loaded with water and a micro-emulsion agent prior to tripping out of the hole to run wire line logs and case.

6. CEMENTING PROGRAM:

8-5/8" Surface Casing:

Tail: Class "G" + 2% CaCl2 + 0.25 lb/sack Superflake, mixed at 15.6 ppg, 1.19 cu ft/sk yield with 100% excess by volume.

The surface casing shall be cemented back to surface. In the event cement does not circulate to surface or fall back of the cement column occurs, remedial cementing shall be done to cement the casing back to surface.

5-1/2" Production Casing:

Tail: Class "G" Cement + 2% CaCl2 + 0.25 lb/sack Superflake, mixed at 15.8 ppg, 1.2 cu ft/sk yield with 10% excess. Volumes calculated to circulate cement from TD to 700' above the Ferron formation with 10% excess by caliper log.

Centralizers will used to maintain a minimum of 70% Casing-Sidewall Standoff

7. LOGGING PROGRAM

Well completion and stimulation procedures will be determined following the evaluation of the drilling results and open hole logs. A "Sundry Notice" will be submitted for approval outlining the planned completion procedure at the time.

Cores: None		DSTs: None	
Logs:		From	To
	GR	TD	Surface - if needed
	Resistivity	Surface Casing	TD
	Neutron-Density-Cal	Surface Casing	TD
	High Res Pass	Surface Casing	TD

8. PRESSURE DATA, POTENTIAL HAZARDS

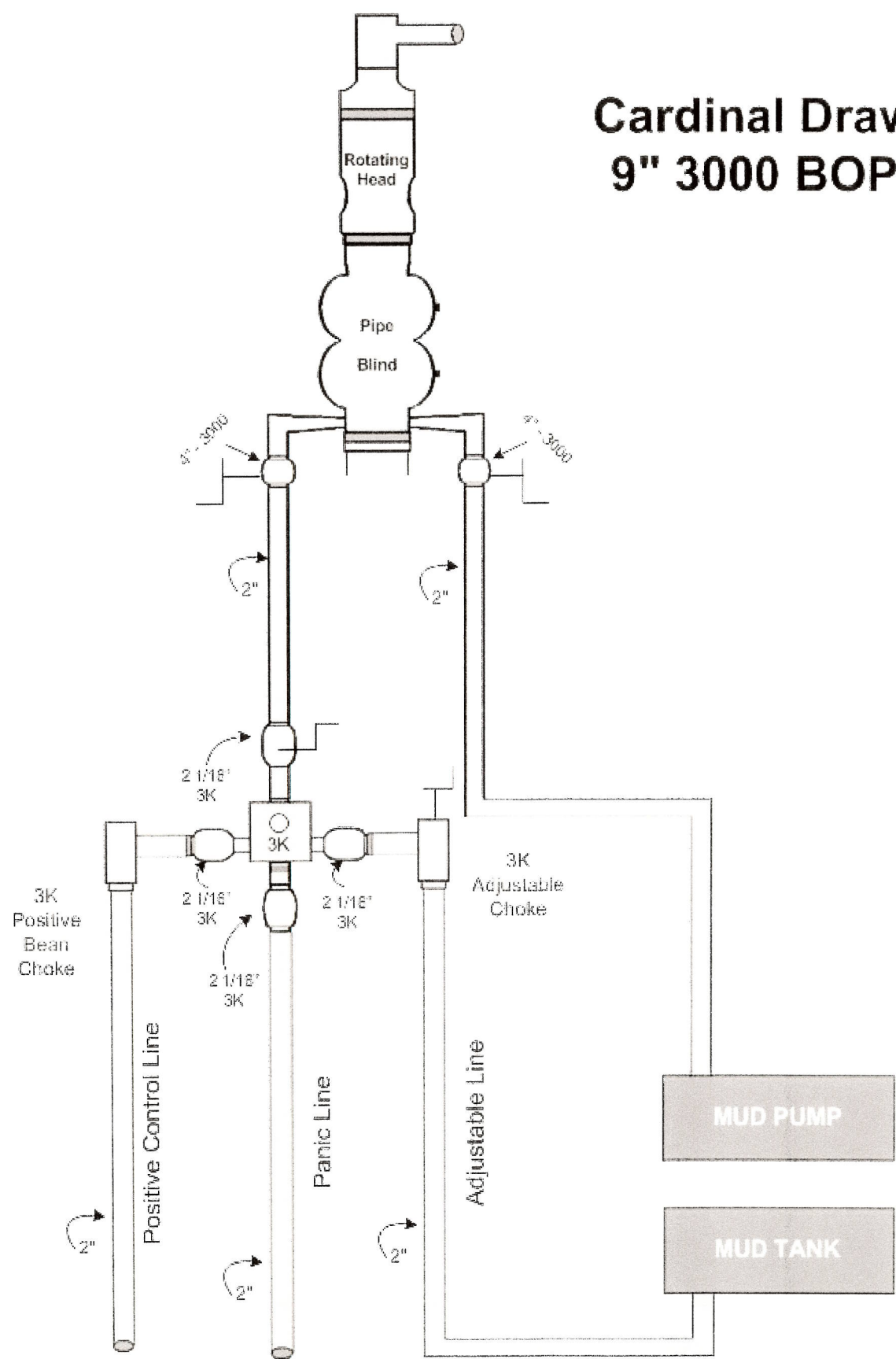
Bottom hole is anticipated to be normally pressured.

There is no history of hydrogen sulfide gas in the area and none is anticipated.

9. ANTICIPATED STARTING DATES AND NOTIFICATION OF OPERATIONS:

- | | | | |
|----|-----------------------------|--|------------------------------|
| a) | Anticipated Days: | Drilling Days: | Approximately 4 Days/Well |
| | | Completion Days: | Approximately 2 Days/Well |
| | | Testing Days: | Approximately 7-14 Days/Well |
| b) | Notification of Operations: | Bureau of Land Management - BLM Price Field Office Utah
125 South 600 West
Price, UT 84501
435-636-3600
Attn: Mr. Marvin Hendricks, Petroleum Engineer 435-636-3661
Attn: Mr. Kyle Beagley - NRS 435-636-3668 | |

Cardinal Draw 9" 3000 BOP

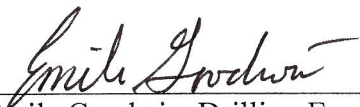


CERTIFICATION STATEMENT

WELL NAME: **Wellington Federal 41-25**

LEASE No.: **UTU-073409**

I hereby certify that I, or person under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in the plan are, to the best of my knowledge, true and correct; and that the work associated with the operations herein will be performed by Nelco, Inc., construction contractor, Pense Brothers Drilling Company, Nabors Wells Service Rig #808, and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C 1001 for the filing of a false statement.

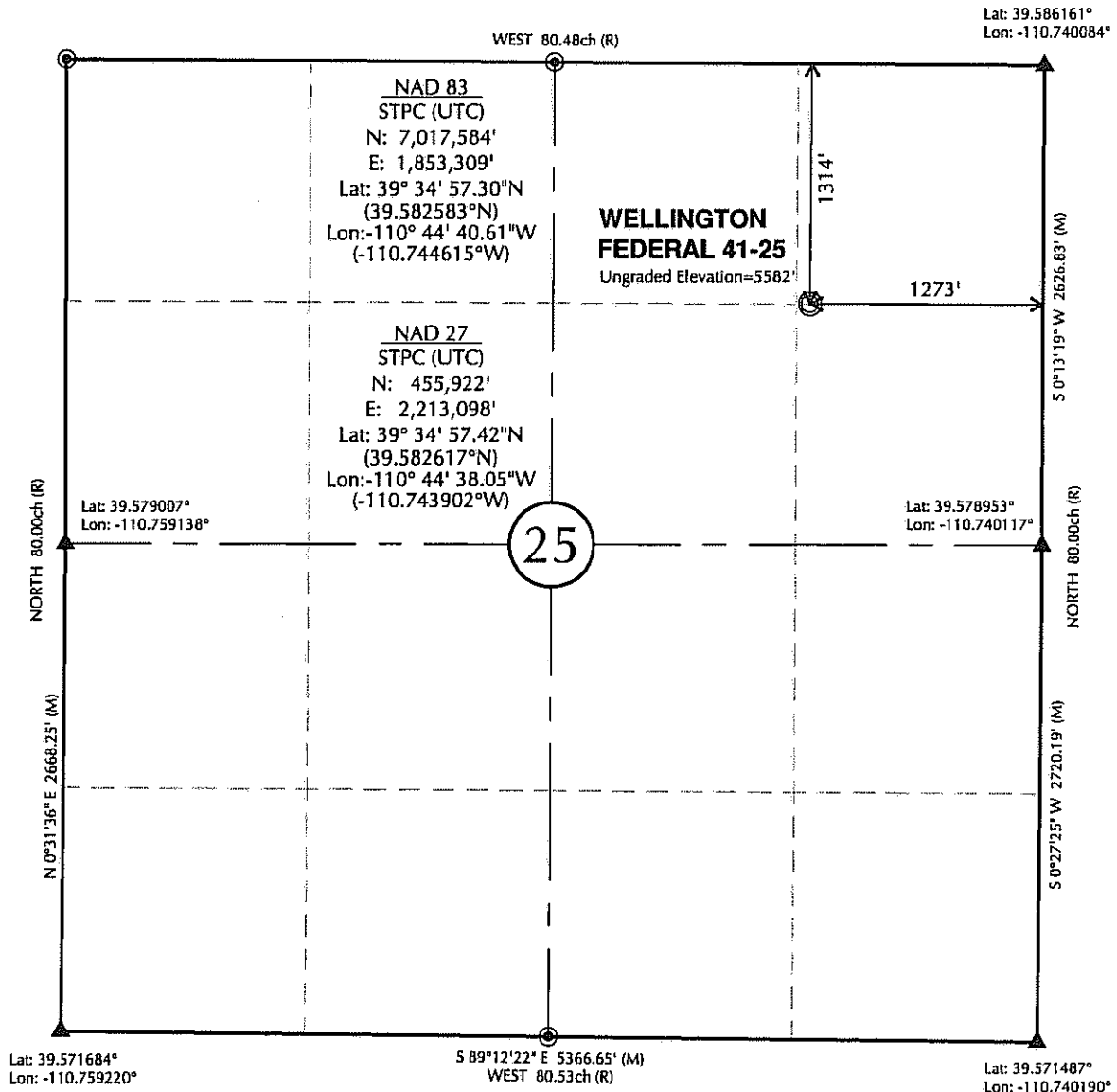


Emile Goodwin, Drilling Engineer

Dated this 20th day of March, 2009.

R. 10 E.

T.
14
S.



CERTIFICATE OF SURVEYOR:

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEY MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

DUANE D. HUNGER
DUANE D. HUNGER
REGISTERED LAND SURVEYOR
REGISTRATION No. 163167
STATE OF UTAH
No. 163067
12-11-08
STATE OF UTAH

KERR-MCGEE OIL & GAS
ONSHORE, LP

1099 18th Street, Suite 1800 - Denver, Colorado 80202

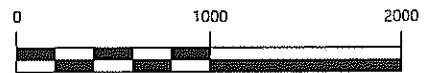
WELLINGTON FEDERAL 41-25
WELL PLAT
1314' FNL, 1273' FEL
NE1/4NE1/4, SECTION 25, T.14S., R.10E.
S.L.M., CARBON COUNTY, UTAH



CONSULTING, LLC
371 Coffeen Avenue
Sheridan WY 82801
Phone 307-674-0609
Fax 307-674-0182

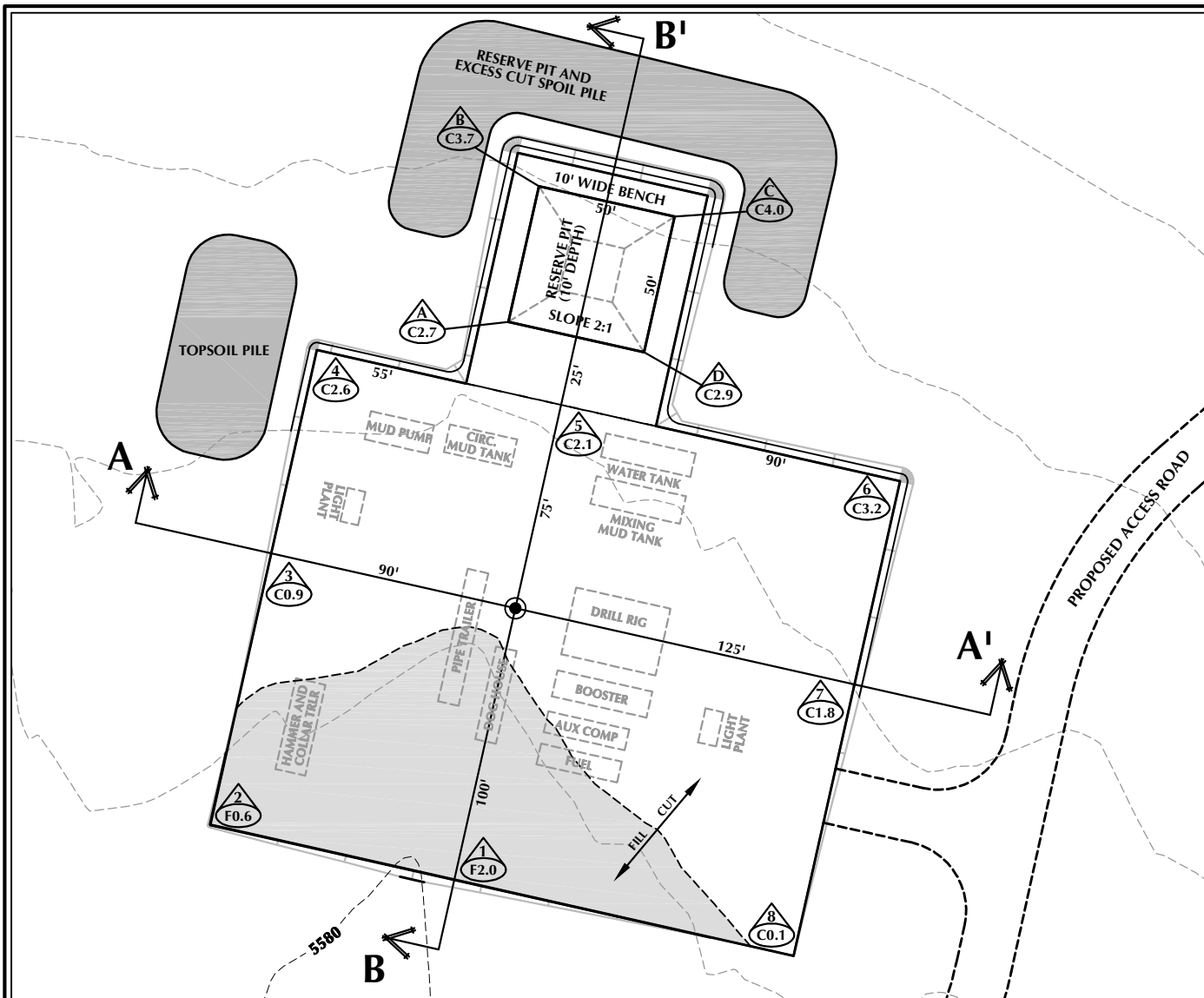
NOTES:

1. ▲ INDICATES FOUND BLM BRASS CAP
2. ● INDICATES CALCULATED CORNER POSITION FROM RECORD
3. ELEVATION BASED NAVD88 (GEOID03)
4. BASIS OF BEARING IS WGS84
5. ALL COORDINATES DERIVED FROM AUTONOMOUS GPS SURVEY



HORIZONTAL
SCALE: 1" = 1000'

Scale: 1"=1000'	Date: 12/2/08	SHEET NO:
REVISED:	BY DATE	1 1 OF 9



WELL PAD LEGEND

- WELL LOCATION
- - - EXISTING CONTOURS (2' INTERVAL)
- PROPOSED CONTOURS (2' INTERVAL)

WELL PAD 41-25 QUANTITIES

EXISTING GRADE @ LOC. STAKE = 5,582.4'
 FINISHED GRADE ELEVATION = 5,582.2'
 CUT SLOPES = 1.5:1
 FILL SLOPES = 1.5:1

TOTAL CUT FOR WELL PAD = 1,388 C.Y.
 TOTAL FILL FOR WELL PAD = 506 C.Y.
 TOPSOIL @ 6" DEPTH = 864 C.Y.
 TOTAL DISTURBANCE = 1.07 ACRES
 SHRINKAGE FACTOR = 1.15
 SWELL FACTOR = 1.00
 TOTAL PIT CAPACITY WITH 2' OF FREEBOARD
 +/- 1,850 BARRELS
 TOTAL PIT VOLUME
 +/- 482 CY

KERR-MCGEE OIL & GAS ONSHORE L.P.

1099 18th Street, Suite 1800 - Denver, Colorado 80202

**WELLINGTON FEDERAL 41-25
 WELL PAD - LOCATION LAYOUT**
 1314' FNL, 1273' FEL
 NE1/4NE1/4, SECTION 25, T.14S., R.10E.
 S.L.M., CARBON COUNTY, UTAH

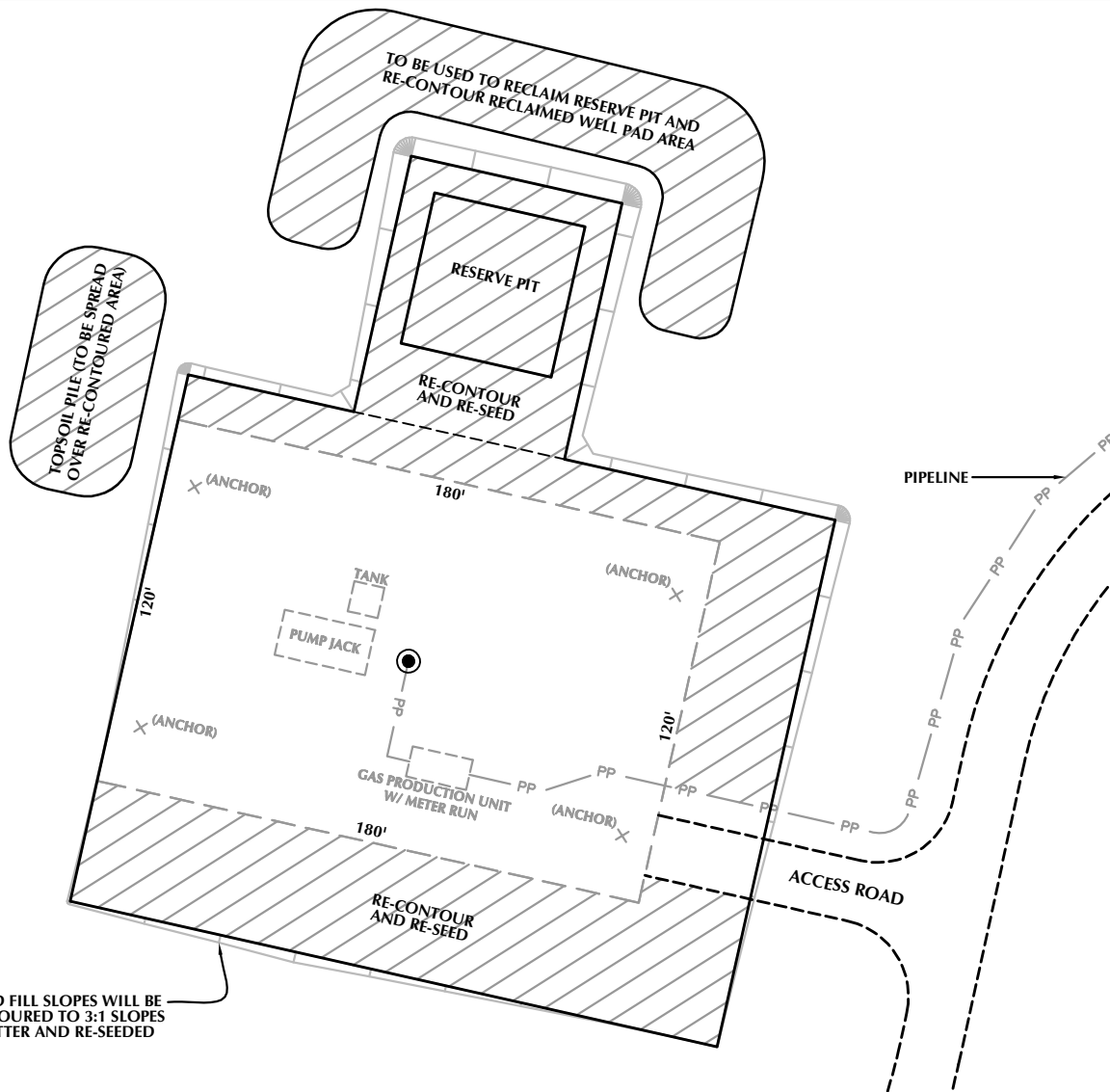


CONSULTING, LLC
 371 Coffeen Avenue
 Sheridan WY 82801
 Phone 307-674-0609
 Fax 307-674-0182

Scale: 1"=60'	Date: 12/4/08	SHEET NO:
REVISED:	BY DATE	2 2 OF 9



HORIZONTAL 0 30 60 1" = 60'
 2' CONTOURS



WELL PAD LEGEND



WELL LOCATION



RECLAIMED AREA



RECLAIMED BOUNDARY

CUT AND FILL SLOPES WILL BE
RE-CONTOURED TO 3:1 SLOPES
OR FLATTER AND RE-SEED

KERR-MCGEE OIL & GAS ONSHORE L.P.

1099 18th Street, Suite 1800 - Denver, Colorado 80202

WELLINGTON FEDERAL 41-25
WELL PAD - RECLAMATION LAYOUT
1314' FNL, 1273' FEL
NE1/4NE1/4, SECTION 25, T.14S., R.10E.
S.L.M., CARBON COUNTY, UTAH



CONSULTING, LLC
371 Coffeen Avenue
Sheridan WY 82801
Phone 307-674-0609
Fax 307-674-0182

Scale: 1"=60'

Date: 12/4/08

SHEET NO:

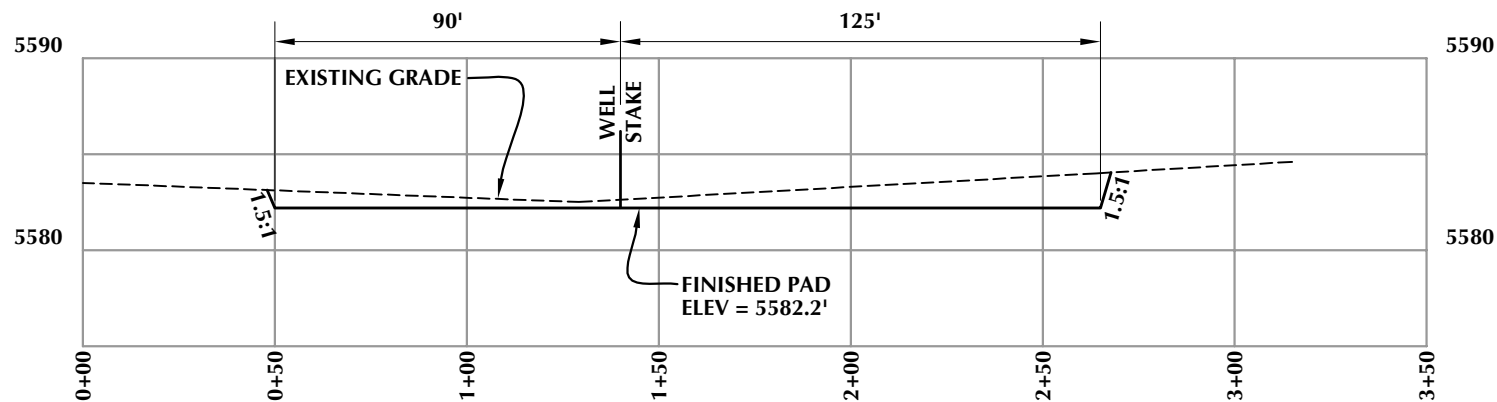
REVISED:

BY
DATE

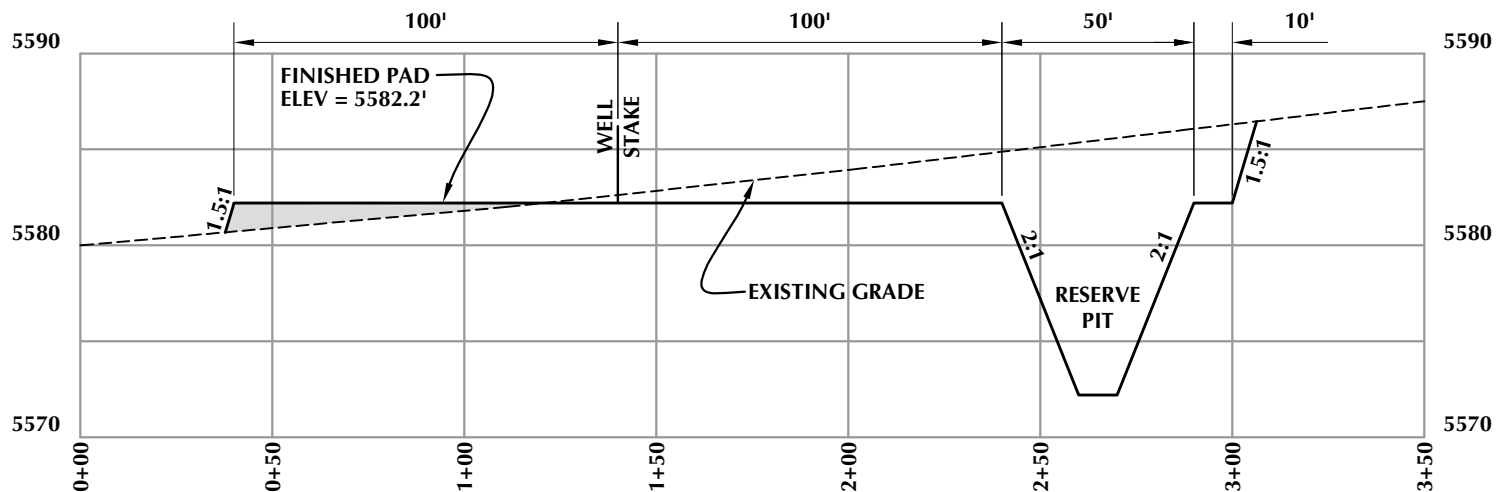
2A 2A OF 9



HORIZONTAL 0 30 60 1" = 60'
2' CONTOURS



CROSS SECTION A-A'



CROSS SECTION B-B'

**KERR-MCGEE OIL & GAS
ONSHORE L.P.**

1099 18th Street, Suite 1800 - Denver, Colorado 80202

**WELLINGTON FEDERAL 41-25
WELL PAD - CROSS SECTIONS
1314' FNL, 1273' FEL
NE1/4NE1/4, SECTION 25, T.14S., R.10E.
S.L.M., CARBON COUNTY, UTAH**



CONSULTING, LLC
371 Coffeen Avenue
Sheridan WY 82801
Phone 307-674-0609
Fax 307-674-0182

Scale: 1"=50'	Date: 12/4/08	SHEET NO:
REVISED:	BY DATE	3 3 OF 9



HORIZONTAL 0 25 50 1" = 50'
VERTICAL 0 5 10 1" = 10'



PHOTOGRAPH OF WELLINGTON FEDERAL 41-25 WELL LOCATION - CAMERA ANGLE NORTH



PHOTOGRAPH OF WELLINGTON FEDERAL 41-25 WELL LOCATION - CAMERA ANGLE SOUTH

**KERR-MCGEE OIL & GAS
ONSHORE L.P.**

1099 18th Street, Suite 1800 - Denver, Colorado 80202

**WELLINGTON FEDERAL 41-25
LOCATION PHOTOGRAPHS
1314' FNL, 1273' FEL
NE1/4NE1/4, SECTION 25, T.14S., R.10E.
S.L.M., CARBON COUNTY, UTAH**



CONSULTING, LLC
371 Coffeen Avenue
Sheridan WY 82801
Phone 307-674-0609
Fax 307-674-0182

Scale: NTS	Date: 12/10/08	SHEET NO:
REVISED:	BY DATE	4 4 OF 9



PHOTOGRAPH OF WELLINGTON FEDERAL 41-25 WELL LOCATION - CAMERA ANGLE EAST



PHOTOGRAPH OF WELLINGTON FEDERAL 41-25 WELL LOCATION - CAMERA ANGLE WEST

**KERR-MCGEE OIL & GAS
ONSHORE L.P.**

1099 18th Street, Suite 1800 - Denver, Colorado 80202

**WELLINGTON FEDERAL 41-25
LOCATION PHOTOGRAPHS
1314' FNL, 1273' FEL
NE1/4NE1/4, SECTION 25, T.14S., R.10E.
S.L.M., CARBON COUNTY, UTAH**



CONSULTING, LLC
371 Coffeen Avenue
Sheridan WY 82801
Phone 307-674-0609
Fax 307-674-0182

Scale:	NTS	Date:	12/10/08	SHEET NO:
REVISED:		BY	DATE	4A
				4A OF 9



PHOTOGRAPH OF PROPOSED ACCESS TO THE WELLINGTON FEDERAL 41-25 WELL LOCATION - CAMERA ANGLE NORTHEAST

KERR-MCGEE OIL & GAS
ONSHORE L.P.

1099 18th Street, Suite 1800 - Denver, Colorado 80202

WELLINGTON FEDERAL 41-25
LOCATION PHOTOGRAPHS
1314' FNL, 1273' FEL
NE1/4NE1/4, SECTION 25, T.14S., R.10E.
S.L.M., CARBON COUNTY, UTAH



CONSULTING, LLC
371 Coffeen Avenue
Sheridan WY 82801
Phone: 307-674-0609
Fax 307-674-0182

Scale: NTS	Date: 12/10/08	SHEET NO: 4B 4B OF 9
REVISED:	BY DATE	

'APIWellNo:43007500170000'



● Well - Proposed Well Pad - - - Road - Proposed APC Lease
● Well - Existing — Road - Existing

1314' FNL, 1273' FEL
NE¼ NE¼, Section 25, T14S, R10E
S.L.M., Carbon County, Utah

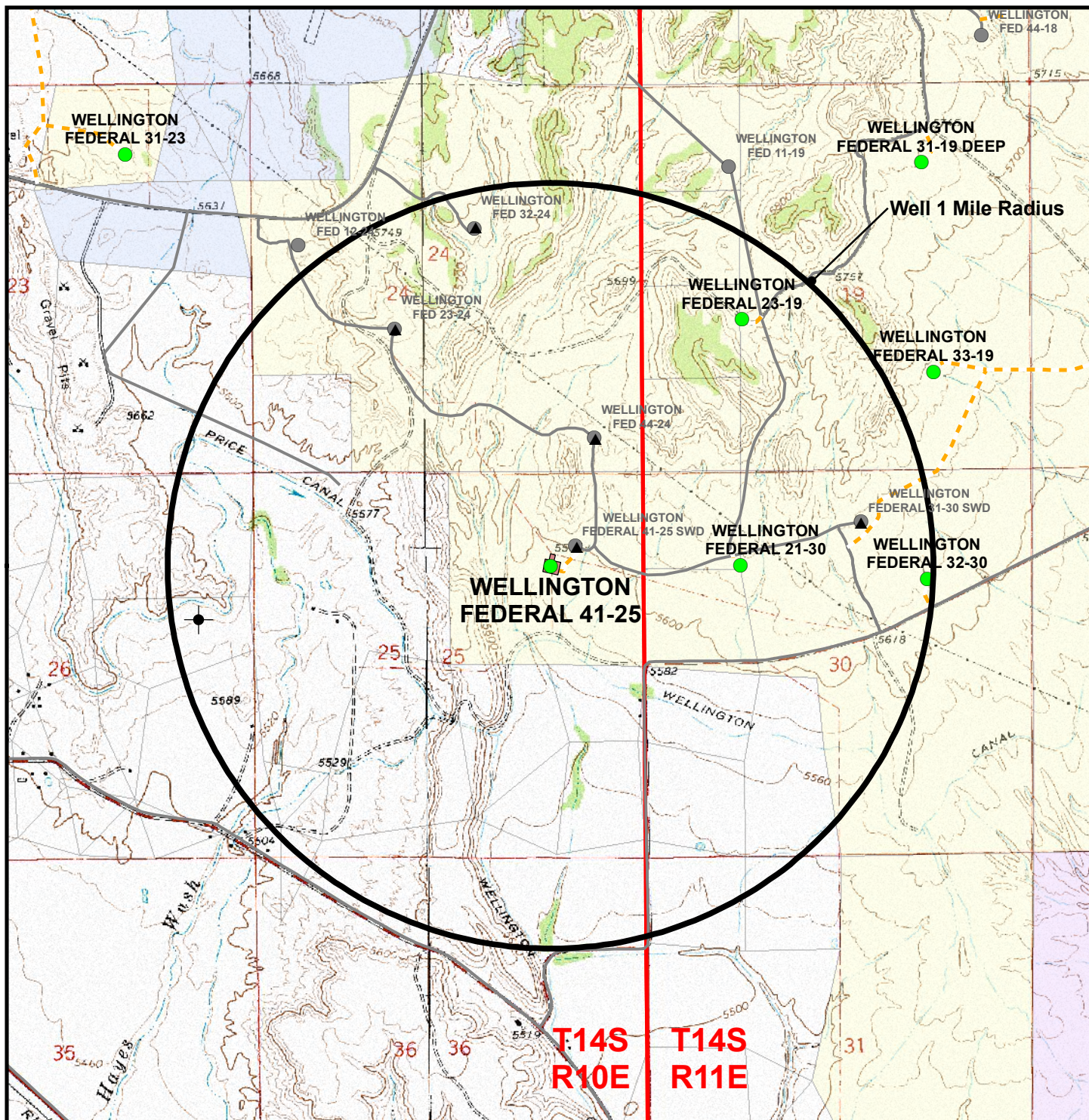


CONSULTING, LLC
371 Coffeen Avenue
Sheridan, WY 82801
Phone (307) 674-0609
Fax (307) 674-0182



6

6 of 9



Legend

- Well - Proposed
- Well - Existing
- Well Pad
- Road - Proposed
- Road - Existing
- Private Surface Ownership
- BLM Surface Ownership
- State of Utah Surface Ownership
- Carbon County Surface Ownership
- Well - 1 Mile Radius
- Producing
- ▲ Approved permit (APD); not yet spudded
- ✕ Location Abandoned
- ✕ Plugged and Abandoned

Kerr-McGee Oil & Gas Onshore, LP
1099 18th Street, Suite 1800, Denver, Colorado 80202

Wellington Federal 41-25
Topo C
1314' FNL, 1273' FEL
NE¼ NE¼, Section 25, T14S, R10E
S.L.M., Carbon County, Utah

609
CONSULTING, LLC
371 Coffeen Avenue
Sheridan, WY 82801
Phone (307) 674-0609
Fax (307) 674-0182



Scale: 1" = 2000ft	NAD83 USP Central	Sheet No:
Drawn: JELo	Date: 6 Aug 2008	7 7 of 9
Revised: JELo	Date: 19 Mar 2009	

8 of 9

**Kerr-McGee Oil & Gas Onshore, LP
WELLINGTON FEDERAL 41-25
SECTION 25, T14S, R10E, S.L.M.**

PROCEED IN AN EASTERLY DIRECTION FROM PRICE, UTAH, ALONG U.S. HIGHWAY 6, GRADUALLY CHANGING TO SOUTHERLY APPROXIMATELY 2.4 MILES TO THE JUNCTION OF U.S. HIGHWAY 6 AND THE OLD WELLINGTON ROAD; EXIT LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 2.3 MILES TO THE JUNCTION OF THE OLD WELLINGTON ROAD AND COAL CREEK ROAD; EXIT LEFT AND PROCEED IN A NORTHERLY DIRECTION, GRADUALLY CHANGING TO EASTERLY APPROXIMATELY 1.8 MILES TO THE JUNCTION OF COAL CREEK ROAD AND AN EXISTING ACCESS ROAD TO THE NORTH; TURN LEFT AND PROCEED IN A NORTHERLY THEN WESTERLY DIRECTION APPROXIMATELY 1.0 MILES, TO THE JUNCTION OF THIS ROAD AND THE EXISTING ACCESS ROAD TO THE 41-25 SWD WELL LOCATION; TURN LEFT AND PROCEED IN A SOUTHWESTERLY DIRECTION, THROUGH THE 41-25 SWD EXISTING WELL PAD, APPROXIMATELY 700 FEET, FOLLOWING THE ROAD FLAGS, TO THE JUNCTION OF THIS ROAD AND THE PROPOSED WELLINGTON FEDERAL 41-25 WELL LOCATION.

TOTAL DISTANCE FROM PRICE, UTAH, TO THE PROPOSED WELLINGTON FEDERAL 41-25 WELL LOCATION IS APPROXIMATELY 7.6 MILES.

Kerr-McGee Oil & Gas Onshore, L. P.

A Wholly Owned Subsidiary of Anadarko Petroleum Corporation

2009 Cardinal Draw "Ferron" CBM Program

Federal Lease UTU-073409

WELLINGTON FEDERAL 41-25

NE NE, Section 25: Township 14 South-Range 10 East

SLB&M

Carbon County, Utah

SURFACE USE PLAN OF OPERATIONS

This Surface Use Plan of Operations (SUPO) is submitted as part of an Application for Permit to Drill (APD) is filed under the Notice of Staking (NOS) process as stated in Onshore Order No. 1 (OSO #1) and supporting Bureau of Land Management (BLM) documents. This SUPO covers the proposed location to be drilled by Kerr-McGee Oil & Gas Onshore LP (Kerr-McGee) starting August 2009:

An on-site meeting was held with BLM on March 4, 2009, for each location with Federal involvement. The details of each on-site meeting will be discussed in each well's specific APD. Specific stipulations arising from the on-site meeting will be shown as starred. The following people attended the on-site meeting:

BLM-Price Field Office: Kyle Beagley and Don Stephens

Kerr-McGee: Tom Richardson, Charles Chase, and Kirt Rusmussen

WELL LOCATION AND INTRODUCTION:

The proposed location is at 1314' FNL, 1273' FEL of Section 25, T14S-R10E, SLB&M. The well site was surveyed and staked at a geologically acceptable location by 609 Consulting, LLC.

DIRECTIONS TO LOCATION:

PROCEED IN AN EASTERLY DIRECTION FROM PRICE, UTAH, ALONG U.S. HIGHWAY 6, GRADUALLY CHANGING TO SOUTHERLY APPROXIMATELY 2.4 MILES TO THE JUNCTION OF U.S. HIGHWAY 6 AND THE OLD WELLINGTON ROAD; EXIT LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 2.3 MILES TO THE JUNCTION OF THE OLD WELLINGTON ROAD AND COAL CREEK ROAD; EXIT LEFT AND PROCEED IN A NORTHERLY DIRECTION, GRADUALLY CHANGING TO EASTERLY APPROXIMATELY 1.8 MILES TO THE JUNCTION OF COAL CREEK ROAD AND AN EXISTING ACCESS ROAD TO THE NORTH; TURN LEFT AND PROCEED IN A NORTHERLY THEN WESTERLY DIRECTION APPROXIMATELY 1.0 MILES, TO THE JUNCTION OF THIS ROAD AND THE EXISTING ACCESS ROAD TO THE 41-25 SWD WELL LOCATION; TURN LEFT AND PROCEED IN A SOUTHWESTERLY DIRECTION, THROUGH THE 41-25 SWD EXISTING WELL PAD, APPROXIMATELY 700 FEET, FOLLOWING THE ROAD FLAGS, TO THE JUNCTION OF THIS ROAD AND THE PROPOSED WELLINGTON FEDERAL 41-25 WELL LOCATION.

TOTAL DISTANCE FROM PRICE, UTAH, TO THE PROPOSED WELLINGTON FEDERAL 41-25 WELL LOCATION IS APPROXIMATELY 7.6 MILES.

1) EXISTING ROADS

- A) This well is a development well.
- B) Typically, existing roads within 1 mile consist of oil field roads between 0.5 - 1 mile of each location. Specific existing road information will be discussed within each well's APD.
- C) Plans for improvement and/or maintenance of existing roads are to be maintained in as good or better conditions than at present and said maintenance will continue until final abandonment and reclamation of each drilling location.

2) PLANNED ACCESS ROADS (See Sheet No. 5 (Topo A), 6 (Topo B), 7 (Topo C), and 8 (Topo D)).

±405 on lease. New road construction (Topo D yellow highlighted access road), Section 25 – Federal UTU-073409, on lease.

This Application for Permit to Drill (APD) can serve as a request for BLM to initiate a Right-of-Way (ROW) application for access roads and water haul routes, if necessary. This ROW can continue up to the wellhead.

- A) Running surface will be crowned/ditched with a running surface ±16' and the total disturbed width to be 50'. Plans for improvement and/or maintenance of existing roads are to maintain in as good or better conditions than at present. A regular maintenance plan will include, but not be limited to blading, ditching, and surfacing.
- B) Borrow ditches to be back sloped 3:1 or shallower.
- C) Maximum grades will not exceed BLM standards.
- D) Low-water crossings and culverts, if needed, will be installed prior to drilling. Drainage consist of borrow ditches on both sides and "wind ditches" as appropriate. Riprap will be placed at the inlet and outlet at the culvert adjacent to the well pad. Low water crossings may be used during drilling and upon completion if conditions dictate. Culverts will be installed prior to commencement of drilling operations. The borrow ditches along the proposed access road will be re-seeded if the well is completed as a producer. The reseeded of the borrow ditches will reduce the area utilized by each location.
- E) Surfacing material to consist of native material from borrow ditches. Road will be gravel surfaced. Gravel will be hauled by truck from a licensed facility.
- F) No major road cuts are necessary.
- G) New fence cuts, gates and/or cattle guards will be discussed in each well's APD.
- H) Upgrade and maintain access roads as necessary to prevent solid erosion and accommodate year-round traffic.
- I) All equipment and vehicles will be confined to the access road, pad, and areas specified in the APD.
- J) The proposed access road will be constructed in accordance with roading guidelines established for oil and gas exploration and development activities as referenced in the joint BLM/USFS publications: Surface Operating Standards for Oil & Gas Exploration and Development. Third Edition and/or BLM Manual Section 9113 concerning road construction activities on projects under federal jurisdiction. The qualified construction

supervisor shall be an engineer, company superintendent or other representative who is competent and knowledgeable in oilfield road and drill site construction, and able to speak for the operator. The dirt contractor, or drilling /completion foremen, whose primary expertise is not in construction, do not qualify as construction supervisors.

- K) Construction activity shall not be conducted using frozen or saturated solid material or during periods when significant watershed damage (e.g. rutting, extensive sheet soil erosion, formation of rills/gullies, etc.) is likely to occur.
- L) Vegetative debris is not permitted in or under fill embankments.

3) LOCATION OF EXISTING WELLS

Within a 1-mile radius (Sheet No. 7 – Topo C):

Proposed:	3
Drilling/injection:	None
Shut-In:	None
Producing:	3

4) NEW PRODUCTION FACILITIES PROPOSED

- A) BLM will be contacted prior to construction of production facilities. A Sundry Notice (SN) will be filed if requested by BLM.
- B) Meter houses are skid mounted. A pump house may be installed if needed. Flow lines will be buried alongside or under the access road. Electric power will be buried wires, also installed alongside the access road. Both will be within the corridor as surveyed by the archaeologist. Any changes from this plan will be submitted to the BLM Field Office by Sundry Notices. New flow lines will connect with existing flow lines, produced fluid will be piped to the existing tank battery.
- C) Electric lines and pipelines will be placed in separate trenches, adjacent to each other and in the corridors surveyed by the archaeologist.
- D) Dimension of Proposed Facility is typically 260' x 215' or less (55,900 ft²) for drilling operations. Total disturbance for the entire pad, including reserve pit, topsoil and excess material spoil piles, and typical construction disturbance will be approximately 1.20 acres.
- E) Site preparation for production will be done with standard excavation equipment using native materials. Additional surface material will be obtained from commercial sources or the approved borrow area. Production facilities, if used, must be placed on the cut portion of the location and a minimum of 15 feet from the toe of the back cut.
- F) Production equipment will be painted light reflective colors to limit evaporation and waste of liquid hydrocarbons, per BLM specifications.
All permanent above-the-ground structures, tank batteries, etc. if used, that will remain longer than six (6) months will be painted Olive Black, or as specified by BLM. The exception being that Utah Occupation Health and Safety Act Rules and Regulations are to be complied with where special safety colors are required.
- G) Production facilities are planned on location, and may vary according to actual reservoir discovered and will be engineered upon completion of well tests. Production facilities will be clustered and placed away from cut slopes and fill slopes to allow the maximum recontouring of cut and fill slopes.
If the well is a producer, all production facilities not listed herein will be authorized by Sundry Notice.
- H) No facilities will be constructed off location except as noted in paragraph A) above.

- I) Rehabilitation of unneeded, previously disturbed areas will consist of backfilling and contouring the reserve pit area, back sloping and contouring all cut and fill slopes to the surrounding topography. No depressions will be left that trap water or form ponds. These areas will be re-seeded. Refer to plans for restoration of surface for additional details.
 - J) Pits which contain oil, if used, will be overhead flagged. None are planned at this time.
 - K) The pipeline ROW will be handled under separate cover, as previously arranged with the Realty Specialist at BLM-Price.
- 5) **LOCATION OF WATER SUPPLY**
- A) Minimal water will be needed as these wells will be air-drilled. When water is needed, it will be obtained from the city of Price.
 - B) Anticipated water use is as follows:
Air drilling will be used, so the mud drilling water requirements will be minimal, if any.
- 6) **SOURCE OF CONSTRUCTION MATERIALS**
- A) Construction materials will consist of native materials from borrow ditches and location areas.
 - B) Surfacing materials will be obtained from available permitted sources, if needed, and consist of pit gravel. Gravel will be hauled by truck from a licensed facility.
- 7) **WASTE DISPOSAL**
- A) Drill cuttings will be buried in reserve pit when dry.
 - B) Drilling fluid will be evaporated and then buried in the reserve pit when dry.
 - C) Reserve pit layout is illustrated on Sheet 2 and 2A.
 - * D) Reserve pit will be lined with a synthetic liner 12 mil or thicker. The reserve pit liner shall be made of any manmade synthetic material of sufficient size and qualities to sustain a hydraulic conductivity no greater than 1×10^{-7} cm/sec after installation and which is sufficiently reinforced to withstand normal wear and tear associated with the installation and pit use thereof. The liner shall be chemically compatible with all substances that may be put into the pit.
 - E) Reserve pit will be fenced on three sides during drilling operations and on fourth side at time of rig release. Pit will remain fenced until backfilled.
 - * F) If used, a flare pit for air drilling will be located minimum 100' from wellbore.
 - G) Produced fluid will be contained in test tanks during completion and testing.
 - * H) Sewage disposal facilities will be in accordance with Federal, State and Local Regulations. Sewage may not be buried on location or put in a borehole. Utah Department of Environmental Quality (UDEQ) Regulations prevent this unless a UDEQ Permit is obtained.
 - * I) Garbage and other waste - burnable waste will be contained in a portable trash cage which will be totally enclosed with small mesh wire. Cage and contents will be transported to and trash dumped at a WDEQ approved Sanitary Landfill upon completion of operations.
 - J) Trash will be picked up if scattered and contained in trash cage as soon as practical after rig is moved off.
 - K) Upon release of the drilling rig, rathole and mousehole will be filled. Debris and equipment not required for production will be removed.
 - L) Reserve pits will be closed and backfilled as soon as the pit contents are dry enough to do so, or no later than the end of the next full summer following rig release, whichever

comes first, to allow sufficient time for the pit contents to dry. Reserve pits remaining open after this period will require written authorization of the Authorized Office (AO). Immediately upon well completion, any hydrocarbons or trash in the reserve and flare pits will be removed. Pits will be allowed to dry, be pumped dry or solidified in-situ prior to backfilling.

8) **ANCILLARY FACILITIES**

No ancillary facilities will be necessary.

9) **WELLSITE LAYOUT** (See Sheet 2 and 2A).

Note: Bureau of Land Management will be contacted prior to reserve pit construction and provided an opportunity to inspect the pit prior to filling with water.

- A) See specific well's APD for the drill site plat and cut/fill diagram.
- B) Roads and well production equipment, such as tanks, treaters, separators, vents, electrical boxes, and equipment associated with pipeline operation, will be placed on location so as to permit maximum interim reclamation of disturbed areas. If equipment is found to interfere with the proper interim reclamation of disturbed areas, the equipment may be moved so proper recontouring and revegetation can occur.
- C) If there is snow on the ground when construction begins, the operator will remove it before the soil is disturbed, and pile it downhill from the topsoil stockpile location.
- D) Both backslope and foreslope will be constructed no steeper than 1½:1.
- E) Erosion control measures will be applied pursuant to Kerr-McGee's General Permit to Discharge Stormwater under the Utah Pollutant Discharge Elimination System and accompanying Stormwater Pollution Prevention Plan.

10) **SURFACE PREPARATION**

(General)

- A) Salvaging and spreading topsoil will not be performed when the ground or topsoil is frozen or too wet to adequately support construction equipment. If such equipment creates ruts in excess of four (4) inches deep, the soil will be deemed too wet.
- B) Earthwork for interim and final reclamation must be completed within six (6) months of well completion or plugging (weather permitting).
- C) In areas that will not be drill-seeded, the seed mix will be applied and fertilized per BLM's Conditions of Approval (COAs).
- D) No seeding will occur from May 15 to September 15. Fall seeding is preferred and will be conducted after September 15 and prior to ground freezing. Spring seeding will be conducted after the frost leaves the ground and no later than May 15.
- E) Annual or noxious weeds shall be controlled on all disturbed areas as directed by the Field Office Manager. An intensive weed monitoring and control program will be implemented beginning the first growing season after interim and final reclamation. Noxious weeds that have been identified during monitoring will be promptly treated and controlled. A Pesticide Use Proposal (PUP) will be submitted to the BLM for approval prior to the use of herbicides. All reclamation equipment will be cleaned prior to use to reduce the potential for introduction of noxious weeds or other undesirable non-native species. The operator will coordinate all weed and insect control measures with state and/or local management agencies.
- F) Reclaimed areas will be monitored annually. Actions will be taken to ensure that reclamation standards are met as quickly as reasonably practical.

- G) Reclamation monitoring will be documented in an annual reclamation report submitted to the AO by December 31. The report will document compliance with all aspects of the reclamation objectives and standards, identify whether the reclamation objectives and standards are likely to be achieved in the near future without additional actions, and identify actions that have been or will be taken to meet the objectives and standards. The report will also include acreage figures for: Initial Disturbed Acres; Successful Interim Reclaimed Acres; Successful Final Reclaimed Acres. Annual reports will not be submitted for sites approved by the AO in writing as having met interim or final reclamation standards. Any time 30% or more of a reclaimed area is redisturbed, monitoring will be reinitiated.
- H) The AO will be informed when reclamation has been completed, is successful, and the site is ready for final inspection.

INTERIM RESTORATION (Production)

- A) Rehabilitation of unneeded, previously disturbed areas will consist of backfilling and contouring the reserve pit area, back sloping and contouring all cut and fill slopes. These areas will be re-seeded.
- B) Well pad size will be reduced to minimum size necessary to conduct safe operations. Cuts and fills will be reduced to 3:1 or shallower.
- C) Reserve pits will be closed and backfilled as soon as the pit contents are dry enough to do so, or no later than the end of the next full summer following rig release, whichever comes first, to allow sufficient time for the pit contents to dry. Reserve pits remaining open after this period will require written authorization of the Authorized Office (AO). Immediately upon well completion, any hydrocarbons or trash in the reserve and flare pits will be removed. Pits will be allowed to dry, be pumped dry or solidified in-situ prior to backfilling.
- D) Following completion activities, pit liners will be buried to prevent their reemergence to the surface and interference with long-term successful revegetation. If it was necessary to line the pit with a synthetic liner, the pit will not be trenched (cut) or filled (squeezed) while containing fluids. When dry, the pit will be backfilled with a minimum of five (5) feet of soil material. In relatively flat areas, the pit area will be slightly mounded to allow for settling and to promote surface drainage away from the backfilled pit.
- E) The portions of the cleared well site not needed for operational and safety purposes will be recontoured to the original contour if feasible, or if not feasible, to an interim contour that blends with the surrounding topography as much as possible. Sufficient level area will remain for setup of a workover rig and to park equipment. In some cases, rig anchors may need to be pulled and reset after recontouring to allow for maximum interim reclamation.
- * F) Topsoil will be evenly re-spread and aggressively re-vegetated over the disturbed area not needed for all-weather operations back to the rig anchors, including road cuts and fills and to within a few feet of the production facilities, unless an all-weather, surfaced, access route or small "teardrop" turnaround is needed on the well pad.
- G) Initial seedbed preparation will consist of backfilling, leveling, and ripping all compacted areas. Final seedbed preparation will consist of contour cultivating to a depth of 4 to 6 inches within 24 hours prior to seeding. Seeding will be conducted no more than 24 hours following completion of final seedbed preparation. A certified weed-free seed mix designed

- by BLM (shown below) to meet reclamation standards will be used. The seed mix will be used on all disturbed surfaces including pipelines and road cut and fill slopes.
- H) To help mitigate the contrast of recontoured slopes, reclamation will include measures to feather cleared lines of vegetation and to save and redistribute cleared trees, debris, and rock over recontoured cut and fill slopes.
- * I) A proposed seed mixture for the wells in this area is as follows or as defined by BLM in each well's COAs.
- | | | |
|----------------------------|--|------------|
| Indian ricegrass (Nezpar) | <i>Achnatherum hymenoides</i> | 2.0 |
| Squirreltail | <i>Elymus elymoides</i> | 2.0 |
| Needle and thread grass | <i>Stipa Comata</i> | 2.0 |
| Western wheatgrass | <i>Pascopyrum smithi</i> | 2.0 |
| Gooseberryleaf globemallow | <i>Sphaeralcea grossulariifolia</i> | 0.5 |
| Palmer penstemon (cedar) | <i>Penstemon palmeri</i> | 0.5 |
| Wyoming big sagebrush | <i>Artemisia tridentata</i> ssp. <i>wyomingensis</i> | 0.5 |
| Antelope bitterbrush | <i>Purshia Tridentata</i> | <u>1.0</u> |
| | | 10.5 |
- J) Reclamation will be considered successful if the following criteria are met, or as specified by BLM:
- 70 percent of predisturbance cover
 - 90 percent dominate species *
 - Erosion features equal to or less than surrounding area
- * The vegetation will consist of species included in the seed mix and/or occurring in the surrounding natural vegetation.

FINAL RESTORATION (P & A – Removal of equipment)

- A) Flowlines on location will be removed before site reclamation and all flowlines between the wellsite and production facilities will remain in place and will be filled with water.
- B) If necessary to ensure timely revegetation, the pad will be fenced to BLM standards to exclude livestock grazing for the first two growing seasons or until seeded species become firmly established, whichever comes later. Fencing will meet standards found on page 18 of the Gold Book, 4th Edition, or will be fenced with operational electric fencing.
- C) Revegetation will be accomplished by planting mixed grasses as specified below. Revegetation is recommended for road area as well as around production site.
- * D) A proposed seed mixture for the wells in this area is as follows or as defined by BLM in each well's COAs.
- | | | |
|----------------------------|--|------------|
| Indian ricegrass (Nezpar) | <i>Achnatherum hymenoides</i> | 2.0 |
| Squirreltail | <i>Elymus elymoides</i> | 2.0 |
| Needle and thread grass | <i>Stipa Comata</i> | 2.0 |
| Western wheatgrass | <i>Pascopyrum smithi</i> | 2.0 |
| Gooseberryleaf globemallow | <i>Sphaeralcea grossulariifolia</i> | 0.5 |
| Palmer penstemon (cedar) | <i>Penstemon palmeri</i> | 0.5 |
| Wyoming big sagebrush | <i>Artemisia tridentata</i> ssp. <i>wyomingensis</i> | 0.5 |
| Antelope bitterbrush | <i>Purshia Tridentata</i> | <u>1.0</u> |

10.5

- E) Initial seedbed preparation will consist of backfilling, leveling, and ripping all compacted areas. Final seedbed preparation will consist of contour cultivating to a depth of 4 to 6 inches within 24 hours prior to seeding. Seeding will be conducted no more than 24 hours following completion of final seedbed preparation. A certified weed-free seed mix designed by BLM (shown below) to meet reclamation standards will be used. The seed mix will be used on all disturbed surfaces including pipelines and road cut & fill slopes.
- * F) Distribute topsoil, if any remains, evenly over the location, and seed according to the above seed mixture. If needed the access road and location shall be ripped or disked prior to seeding. Perennial vegetation must be established. Additional work shall be required in case of seeding failures, etc.
- G) All disturbed areas, including roads, pipelines, pads, production facilities, and interim reclaimed areas will be recontoured to the contour existing prior to initial construction or a contour that blends indistinguishably with the surrounding landscape. Resalvaged topsoil will be spread evenly over the entire disturbed site to ensure successful revegetation. To help mitigate the contrast of recontoured slopes, reclamation will include measures to feather cleared lines of vegetation and to save and redistribute cleared trees, woody debris, and large rocks over recontoured cut and fill slopes.
- H) BLM will not release the operator's bond until the area has been successfully reclaimed (evaluation will be made after the first growing season) to the standards of the surface owner or surface management agency.
- I) An above-round tubular metal dry-hole marker will be erected over the drill-hole upon cessation of drilling and/or testing operations. The marker will be inscribed with the operator's name, well number, well location, and federal lease number. Upon request of the surface owner, the casing may be cut off three (3) feet below reclaimed ground surface (or below plow depth) with a metal plate affixed to the top providing the same well information as stated above. This must consist of a piece of pipe not less than four inches in diameter and ten feet in length, of which four feet shall be above the general ground level and the remainder being imbedded in cement. The top of the pipe must be closed by a welded or screw cap, cement or other means.
- J) The Area Manager, Bureau of Land Management, Price Field Office, will be contacted if there are any questions concerning the above rehabilitation stipulations (435) 636-3600 is the BLM contact for this location. All rehabilitation work, including seeding, will be completed by a certified contractor if the well is a dry hole.

11) **SURFACE OWNERSHIP**

Surface Owner

Drillsite/Access

Bureau of Land Management

Price Field Office

125 South 600 West

Price, UT 84501

Phone: 435-636-3600

12) **GENERAL INFORMATION**

- A) The project area is situated within the Colorado Plateau physiographic province, in the lowlands that encircle the northern edge of the San Rafael Swell. The Price River drainage (Castle Valley) is located to the west and south of the project area; the Coal

- Creek drainage is located to the east of the project area, and confluences with the Price River south of the project area near the town of Wellington.
- B) Topographic and geologic features – poorly bedded mixture of silt, sand, pebbles, cobbles, and boulders derived from adjacent uplands formed by the Book Cliffs.
- C) Soil characteristics – clay loam.
- D) Flora is likely to consist of: Big sagebrush, Juniper, Mormon tea, Four-wing saltbrush, Broom snakeweed (Matchbrush), Crested wheatgrass, Western wheatgrass and Cheatgrass.
- E) Fauna – none observed. Typically present: deer, elk, antelope, coyotes, rabbits, birds, and rodents.
- F) Concurrent surface use – grazing and hunting.
- G) Mineral Lessor - Bureau of Land Management
Price Field Office
125 South 600 West
Price, UT 84501 Phone: 435-636-3600
- H) Proximity of water, occupied dwellings or other features: to be detailed in each well's APD.
- I) Archaeological, cultural and historical information: to be detailed in each well's APD.
- J) Construction activity shall not be conducted using frozen or saturated solid material or during periods when significant watershed damage (e.g. rutting, extensive sheet soil erosion, formation of rills/gullies, etc.) is likely to occur.
- K) The operator shall be responsible for the prevention and suppression of fires on public lands caused by its employees, contractors or sub-contractors. During conditions of extreme fire danger, surface use operations may be limited or suspended in specific areas.
- L) Unless otherwise exempted, free and unrestricted public access shall be maintained on the lease and associated rights-of-way.
- M) Facilities approved by the Application for Permit to Drill that are no longer included within the lease, due to a change in the lease or unit boundary, shall be authorized with a right-of-way.
- N) Historic, Cultural, and Paleontological Resources
The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five (5) working days the AO will inform the operator as to:
- whether the materials appear eligible for the National Register of Historic Places;
 - the mitigation measures the operator will likely have to undertake before the site can be used (assuming in site preservation is not necessary); and,
 - a timeframe for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the finds of the AO are correct and that mitigation is appropriate.
- If the operator wishes, at any time, to relocate activities to avoid the expense of the mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon

verification from the AO that the required mitigation has been completed the operator will then be allowed to resume construction.

“The holder of this authorization shall immediately bring any paleontological resources or fossils discovered as a result of operations under this authorization to the attention of the authorized officer. The holder shall suspend all activities in the vicinity of such discovery until notified to proceed by the authorized officer. The authorized officer will evaluate, or will have evaluated, such discoveries not later than five (5) working days after being notified, and will determine what action shall be taken with respect to such discoveries. The decision as to the appropriate measures to mitigate adverse effects to significant paleontological resources will be made by the authorized officer after consulting with the holder. The holder may be responsible for the cost of any investigations necessary for the evaluation, and for any mitigative measures.”

- O) Kerr-McGee Oil & Gas Onshore LP maintains a file, per 29 CFR 1910.1200(g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be transported across these lands may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous substances, EHS, and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

LESSEE'S OR OPERATOR'S REPRESENTATIVE(S):

Operator

Rockies Corporate Office:

Kerr-McGee Oil & Gas Onshore, L. P.

Granite Towers at 1099 18th Street, Suite 1800, Denver, CO 80202 (Physical Address)

Post Office Box 173779, Denver, CO 80217-3779 (Mailing Address)

(720) 929-6000

Jim Kleckner, Vice President, Operations

Reed Scott, General Manager - Permitting and Regulatory Affairs

Ann Puchalski, Senior Geologist

Emile Goodwin, Drilling Engineer

Debby Black, Staff Regulatory Analyst **

Price Field Office:

60 South 700 East, Unit #1

Price, UT 84501

(435) 636-2402

Jim Hartley, Production Superintendent

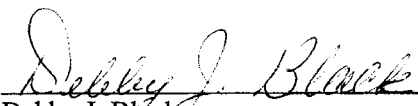
** Contact with any questions regarding this application

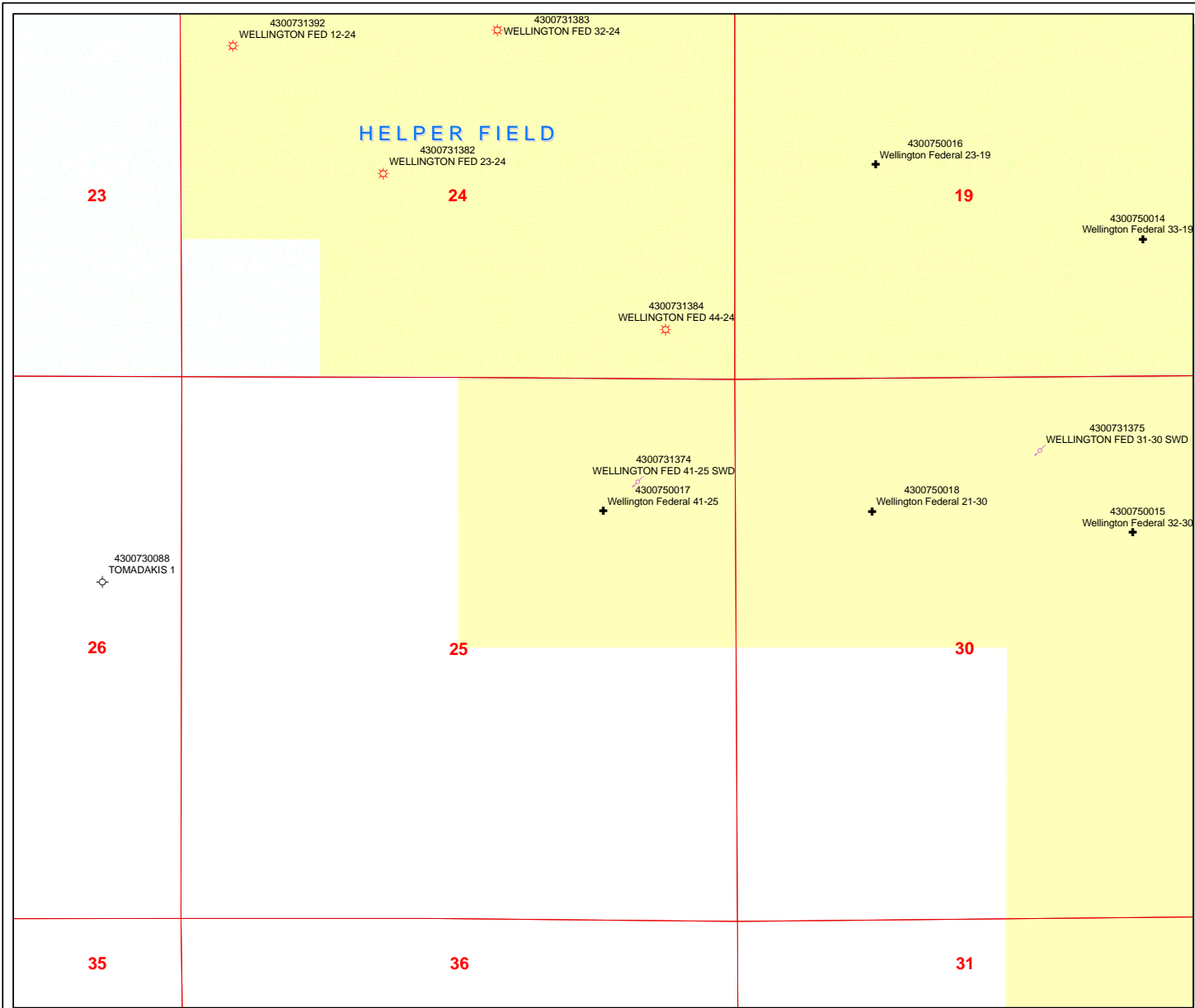
CERTIFICATION:

I hereby certify that Kerr-McGee Oil & Gas Onshore LP and its contractors and sub-contractors are responsible for the operations conducted under this application subject to the terms and conditions of the mineral lease. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Kerr-McGee Oil & Gas Onshore LP under their nationwide bond, BLM Bond No. WYB000291.

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of the State and Federal laws applicable to this operation; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Date: April 14, 2009

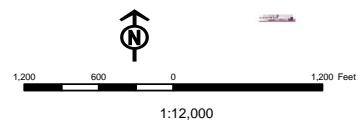

Debby J. Black
Staff Regulatory Analyst



API Number: 4300750017
Well Name: Wellington Federal 41-25
Township 14.0 S Range 10.0 E Section 25
Meridian: SLBM
Operator: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Map Prepared:
Map Produced by Diana Mason

Units	Wells Query Events
STATUS	GIS_STAT_TYPE
ACTIVE	<all other values>
EXPLORATORY	APD
GAS STORAGE	DRL
NF PP OIL	GI
NF SECONDARY	GS
PI OIL	LA
PP GAS	NEW
PP GEOTHERM	OPS
PP OIL	PA
SECONDARY	PGW
TERMINATED	POW
Fields	RET
STATUS	SGW
ACTIVE	SOW
COMBINED	TA
Sections	TW
	WD
	WI
	WS





Kerr-McGee Oil & Gas Onshore, L. P.
1099 18th Street, Suite 1800
Denver, CO 80202
Mailing: P. O. Box 173779
Denver, CO 80217-3779
720-929-6000

May 13, 2009

State of Utah
Department of Natural Resources
Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, UT 84114-5801

Attention: Brad Hill

RE: Exception Location – Rule R649-3-3
Wellington Federal 41-25
Plats-Maps Survey Attachment
NENE Section 25: T14S-R10E
Carbon County, Utah

Dear Mr. Hill:

In reference to Utah Oil and Gas Conservation Rule R649-3-3, the **Wellington Federal 41-25, API 43-007-50017** is an exception location due to topography. There are no additional lease owners within 460' of the proposed location.

I thank you in advance for your consideration and cooperation. If you have any questions concerning this matter, please contact the undersigned.

Sincerely,
KERR-McGEE OIL & GAS ONSHORE, L. P.
A wholly-owned subsidiary of Anadarko Petroleum Corporation

A handwritten signature in blue ink that reads 'Debby J. Black'.

Debby J. Black
Staff Regulatory Analyst
720-929-6472
Debby.Black@anadarko.com

WORKSHEET

APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 5/12/2009

API NO. ASSIGNED: 43007500170000

WELL NAME: Wellington Federal 41-25

OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P. (N2995)

PHONE NUMBER: 720 929-6472

CONTACT: Debby Black

PROPOSED LOCATION: NENE 25 140S 100E

Permit Tech Review: ☒

SURFACE: 1314 FNL 1273 FEL

Engineering Review: ☐

BOTTOM: 1314 FNL 1273 FEL

Geology Review: ☒

COUNTY: CARBON

LATITUDE: 39.58256

LONGITUDE: -110.74381

UTM SURF EASTINGS: 522002.00

NORTHINGS: 4381249.00

FIELD NAME: UNDESIGNATED

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-073409

PROPOSED PRODUCING FORMATION(S): FERRON COAL

SURFACE OWNER: 1 - Federal

COALBED METHANE: YES

RECEIVED AND/OR REVIEWED:

☒ **PLAT**

☒ **Bond:** FEDERAL - WYB000291

☐ **Potash**

☐ **Oil Shale 190-5**

☐ **Oil Shale 190-3**

☐ **Oil Shale 190-13**

☒ **Water Permit:** Air Drilling - City of Price, UT

☐ **RDCC Review:**

☐ **Fee Surface Agreement**

☐ **Intent to Commingle**

Commingle Approved

LOCATION AND SITING:

☐ **R649-2-3.**

Unit:

☐ **R649-3-2. General**

☐ **R649-3-3. Exception**

☒ **Drilling Unit**

Board Cause No: R649-3-3

Effective Date:

Siting:

☐ **R649-3-11. Directional Drill**

Comments: Presite Completed

Stipulations: 4 - Federal Approval - dmason
23 - Spacing - dmason



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: Wellington Federal 41-25

API Well Number: 43007500170000

Lease Number: UTU-073409

Surface Owner: FEDERAL

Approval Date: 5/14/2009

Issued to:

KERR-MCGEE OIL & GAS ONSHORE, L.P. , P.O. Box 173779, Denver, CO 80217

Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-3. The expected producing formation or pool is the FERRON COAL Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Notification Requirements:

Notify the Division with 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

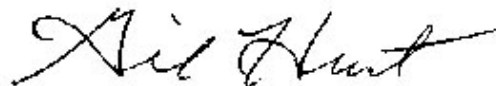
Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281 office (801) 733-0983 home

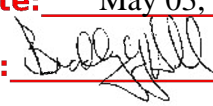
Reporting Requirements:

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

Approved By:

A handwritten signature in black ink, appearing to read "Gil Hunt", with a stylized, flowing script.

Gil Hunt
Associate Director, Oil & Gas

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9			
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-073409			
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:			
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME:			
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: Wellington Federal 41-25			
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1314 FNL 1273 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 25 Township: 14.0S Range: 10.0E Meridian: S		9. API NUMBER: 43007500170000			
PHONE NUMBER: 307-752-1169 Ext		9. FIELD and POOL or WILDCAT: UNDESIGNATED			
COUNTY: CARBON		STATE: UTAH			
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA					
TYPE OF SUBMISSION	TYPE OF ACTION				
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 5/12/2010 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: _____ </td> </tr> </table>		<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: _____
<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: _____			
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Kerr-McGee wishes to extend this APD. Nothing has changed since original filing.					
Approved by the Utah Division of Oil, Gas and Mining Date: May 03, 2010 By: 					
NAME (PLEASE PRINT) Gina Becker	PHONE NUMBER 720 929-6086	TITLE Regulatory Analyst II			
SIGNATURE N/A		DATE 4/27/2010			

RECEIVED April 27, 2010



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43007500170000

API: 43007500170000

Well Name: Wellington Federal 41-25

Location: 1314 FNL 1273 FEL QTR NENE SEC 25 TWNP 140S RNG 100E MER S

Company Permit Issued to: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Date Original Permit Issued: 5/14/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☐ Yes ☒ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

**Approved by the
Utah Division of
Oil, Gas and Mining**

Signature: Gina Becker

Date: 4/27/2010

Title: Regulatory Analyst II **Representing:** KERR-MCGEE OIL & GAS ONSHORE,

Date: May 03, 2010

By: 

RECEIVED April 27, 2010

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9			
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-073409			
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:			
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME:			
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: WELLINGTON FED 41-25			
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1314 FNL 1273 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 25 Township: 14.0S Range: 10.0E Meridian: S		9. API NUMBER: 43007500170000			
PHONE NUMBER: 720 929-6515 Ext		9. FIELD and POOL or WILDCAT: UNDESIGNATED			
COUNTY: CARBON		STATE: UTAH			
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA					
TYPE OF SUBMISSION	TYPE OF ACTION				
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 5/9/2011 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: </td> </tr> </table>		<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER:
<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: 			
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Kerr-McGee Oil & Gas Onshore, L.P. request to extend this APD for another year.					
Approved by the Utah Division of Oil, Gas and Mining Date: 05/09/2011 By:					
NAME (PLEASE PRINT) Raleen White		PHONE NUMBER 720 929-6666			
SIGNATURE N/A		TITLE Sr. Regulatory Analyst			
DATE 5/9/2011					



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43007500170000

API: 43007500170000

Well Name: WELLINGTON FED 41-25

Location: 1314 FNL 1273 FEL QTR NENE SEC 25 TWNP 140S RNG 100E MER S

Company Permit Issued to: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Date Original Permit Issued: 5/14/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☐ Yes ☒ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

Signature: Raleen White

Date: 5/9/2011

Title: Sr. Regulatory Analyst **Representing:** KERR-MCGEE OIL & GAS ONSHORE, L.P.

RECEIVED May. 09, 2011

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-073409
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: WELLINGTON FED 41-25
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1314 FNL 1273 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 25 Township: 14.0S Range: 10.0E Meridian: S		9. API NUMBER: 43007500170000
PHONE NUMBER: 720 929-6505		9. FIELD and POOL or WILDCAT: UNDESIGNATED
COUNTY: CARBON		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 5/9/2012 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100%;" type="text"/> </div> </div>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. The APD for the above captioned well is due to expire on 5/9/2012. Kerr-McGee respectfully requests to extend the APD for one year from the expiration date		
Approved by the Utah Division of Oil, Gas and Mining Date: May 07, 2012 By:		
NAME (PLEASE PRINT) Lauren Christiansen		PHONE NUMBER 720 929-6107
SIGNATURE N/A		TITLE Regulatory Analyst
DATE 5/2/2012		



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43007500170000

API: 43007500170000

Well Name: WELLINGTON FED 41-25

Location: 1314 FNL 1273 FEL QTR NENE SEC 25 TWNP 140S RNG 100E MER S

Company Permit Issued to: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Date Original Permit Issued: 5/14/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☒ Yes ☐ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

Signature: Lauren Christiansen

Date: 5/2/2012

Title: Regulatory Anayst Representing: KERR-MCGEE OIL & GAS ONSHORE, L.P.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-073409
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: WELLINGTON FED 41-25
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1314 FNL 1273 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 25 Township: 14.0S Range: 10.0E Meridian: S		9. API NUMBER: 43007500170000
PHONE NUMBER: 720 929-6505		9. FIELD and POOL or WILDCAT: UNDESIGNATED
COUNTY: CARBON		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 5/14/2013 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: </div> </div>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Kerr-McGee Oil & Gas Onshore, L.P. (Kerr-McGee) respectfully requests an extension to this APD for the maximum time allowed. Please contact the undersigned with any questions and/or comments. Thank you.		
NAME (PLEASE PRINT) Teena Paulo		PHONE NUMBER 720 929-6236
SIGNATURE N/A		TITLE Staff Regulatory Specialist
DATE 4/16/2013		APPROVED BY: <div style="text-align: center;"> Approved by the Utah Division of Oil, Gas and Mining Date: April 17, 2013 By: </div>



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43007500170000

API: 43007500170000

Well Name: WELLINGTON FED 41-25

Location: 1314 FNL 1273 FEL QTR NENE SEC 25 TWNP 140S RNG 100E MER S

Company Permit Issued to: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Date Original Permit Issued: 5/14/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☒ Yes ☐ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

Signature: Teena Paulo

Date: 4/16/2013

Title: Staff Regulatory Specialist **Representing:** KERR-MCGEE OIL & GAS ONSHORE, L.P.



Diana Mason <dianawhitney@utah.gov>

Kerr-McGee APDs to Rescind

Paulo, Teena <Teena.Paulo@anadarko.com>

Fri, May 31, 2013 at 7:43 AM

To: Diana Mason <dianawhitney@utah.gov>

Good Morning Diana,

Please see the below list of wells for the APD's that Kerr-McGee requests to rescind with UDOGM.

4300750002	NORTH BENCH FED 43-20
4300750004	NORTH BENCH FED 22-21
4300750005	NORTH BENCH FED 32-21
4300750006	NORTH BENCH FED 43-21
4300750007	NORTH BENCH FED 12-22
4300750001	NORTH BENCH FED 32-20
4300750012	WELLINGTON FED 23-20
4300750015	WELLINGTON FED 32-30
4300750017	WELLINGTON FED 41-25

Thank you,

Teena Paulo
Staff Regulatory Specialist
Anadarko Petroleum
1099 18th Street, Suite 600
Denver, CO 80202

[Click here for Anadarko's Electronic Mail Disclaimer](#)



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

June 11, 2013

Teena Paulo
Kerr-McGee Oil & Gas Onshore, L.P.
1099 18TH Street, Suite 600
Denver, CO 80202

Re: APDs Rescinded for Kerr-McGee Oil & Gas Onshore, L.P
Carbon and Uintah County


Dear Ms. Paulo:

Enclosed find the list of APDs that you requested to be rescinded. No drilling activity at these locations has been reported to the division. Therefore, approval to drill these wells is hereby rescinded, effective May 31, 2013.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Vernal



43-007-50002	North Bench Fed 43-20
43-007-50004	North Bench Fed 22-21
43-007-50005	North Bench Fed 32-21
43-007-50006	North Bench Fed 43-21
43-007-50007	North Bench Fed 12-22
43-007-50001	North Bench Fed 32-20
43-007-50012	Wellington Fed 23 -20
43-007-50015	Wellington Fed 32-30
43-007-50017	Wellington Fed 41-25
43-047-40120	NBU 920-15FT
43-047-40124	HATCH 923-25K
43-047-40144	HATCH 923-14I
43-047-40145	HATCH 923-25E
43-047-39370	NBU 922-18I
43-047-38308	BONANZA 1023-10N3DS